

**R. J. REYNOLDS TOBACCO COMPANY
CO-MARKETING PROMOTION ACCRUAL CONTRACT - PACK OUTLET
TOTAL CATEGORY PARTNER**

Type of Organization: Corporation ☒ Sole Proprietor _____ Partnership, Estate, Trust, etc. _____

Is this a corporation exempt from backup withholding? Yes ☒ No _____

Please use the appropriate line to fill in the name and Taxpayer Identification Number:

Corporation Name Hess Mart Inc. EIN _____

or
Sole Proprietor's Name _____ S.S. No. _____

Sole Proprietor's Business Name _____ EIN _____

or
Partnership, Estate, Trust, etc. _____ EIN _____

1 Hess Plaza

Address (Number, street, and apt. or suite number)

Woodbridge, NJ 07095

Address (City, state, and ZIP code)

Certification:

Under penalties of perjury, I certify that:

- The number shown above is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest on your tax return.

Store Name (Please Print) _____

RJR Account No. _____

Street Address _____

RJR Territory No. _____

City/State _____

Zip Code _____

Call Classification _____

Branch (If Chain) _____

OPTION 1	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN
Average RJR Weekly Volume	17-26	27-36	36-42	43-48	49-57	58-67	68-76	78-83	84-109	110-139	139-165	166-199	200-239	239+
RJR Co-Marketing Promotion Accrual	\$20	\$28	\$34	\$40	\$46	\$54	\$64	\$74	\$88	\$108	\$132	\$156	\$190	\$228
OPTION 2	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN
Average RJR Weekly Volume	17-26	27-36	36-42	43-48	49-57	58-67	68-76	78-83	84-109	110-139	139-165	166-199	200-239	239+
RJR Co-Marketing Promotion Accrual	\$30	\$42	\$51	\$60	\$69	\$81	\$96	\$111	\$132	\$162	\$198	\$237	\$288	\$330

	CO-MKTG TYPE(S)	CO-MKTG PLANS	NUMBER OF QUALIFYING STORES	MONTHLY RATE	TOTAL QUARTERLY DOLLAR AMOUNT
Option 1	CMFPK	_____	_____	_____	_____
Option 2	CMFPK	_____	_____	_____	_____
	CMFPKRJR	_____	_____	_____	_____
	CMFPKRJR	_____	_____	_____	_____
				TOTAL	_____

* See Authorized Store List

7/28/95

Date Contract Signed

Retailer's Signature _____

Title: _____

7/01/95

Contract Effective Date

R. J. REYNOLDS TOBACCO COMPANY

By: _____

FUNCTION

A=ADD

E=END

D=DELETE

C=CHANGE

CONTRACT TYPE

PLAN

UNITS

EFFECTIVE MO/YR

ROU COPY

R. J. REYNOLDS TOBACCO COMPANY
CO-MARKETING PROMOTION ACCRUAL CONTRACT - PACK OUTLET
TOTAL CATEGORY PARTNER

R. J. Reynolds Tobacco Company ("RJR") is pleased to announce a Co-Marketing Promotion Accrual Program. The Co-Marketing Promotion Accrual Program is available for participating retailers to utilize in promoting selected RJR Full Price Brands and is designed to allow customization of promotions. Program eligibility is available to retail stores that meet the following criteria:

- 51% or more total industry volume by the pack.
- 100+ cartons industry brands and minimum of 17 cartons of RJR brands sold per week.
- Distribution of all RJR brands in all price tiers as required.
- Qualifying elements of RJR's Pack Outlet Retail Partners Base Merchandising program as designated by an RJR Representative.
- Everyday Lowest Price in all price tiers on all RJR brands.

PROGRAM OPTIONS

Option 1: RJR Co-Marketing Promotion Accrual - monthly accrual based on RJR volume grid.

Option 2: RJR Co-Marketing Promotion Accrual with Retailer/RJR Match - monthly accrual with additional Retailer/RJR Match funds based on RJR volume grid.

ACCRUAL AS FOLLOWS:

OPTION 1	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN
Average RJR Weekly Volume	17-26	27-35	36-42	43-48	49-57	58-67	68-78	79-83	84-109	110-138	139-165	166-199	200-239	240+
RJR Co-Marketing Promotion Accrual	\$20	\$28	\$34	\$40	\$48	\$54	\$64	\$74	\$88	\$108	\$132	\$156	\$190	\$220

OPTION 2	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN
Average RJR Weekly Volume	17-26	27-35	36-42	43-48	49-57	58-67	68-78	79-83	84-109	110-138	139-165	166-199	200-239	240+
Retailer Match	\$10	\$14	\$17	\$20	\$23	\$27	\$32	\$37	\$44	\$54	\$66	\$79	\$95	\$113
RJR Co-Marketing Promotion Accrual	\$30	\$42	\$51	\$60	\$69	\$81	\$96	\$111	\$132	\$162	\$198	\$237	\$284	\$330
TOTAL ACCRUAL	\$40	\$56	\$68	\$80	\$92	\$108	\$128	\$148	\$176	\$216	\$264	\$316	\$379	\$443

PROGRAM OPTION REQUIREMENTS

OPTION 1

- Accrual process will begin on contract signing date if prior to the 15th day of the month. Sign up after the 15th day of the month will start accrual the following month.
- Co-Marketing Promotion Accrual funds are to be utilized to promote selected RJR Full Price Brands as designated by an RJR Representative.
- Promotional menu will be available to Total Category Partners at the discretion of RJR.
- All promotions require approval by RJR prior to implementation.
- Retailer reimbursement will occur as soon as practicable following successful completion of the subject pre-approved RJR Co-Marketing promotion.
- RJR Promotion Dollar Liability is limited to the allocated dollar amount of Co-Marketing Promotion Accrual as designated by RJR.
- Co-Marketing Promotion Accrual funds will be accrued by the month. Funds accrued during one calendar quarter are available for use in the immediately following calendar quarter.
- Unused funds may be carried over to the subsequent quarter with prior approval by RJR.
- Funds not utilized for the designated year may not be carried over to the subsequent year.

OPTION 2

- All requirements/benefits stated in Option 1 are applicable to Option 2.
- Retailer must provide matching funds in an amount equal to 50% of Option 1 rate. Retailer match dollars are utilized in the same manner as Option 1 funds and are payable not later than individual promotion completion.
- RJR will provide additional funds in an amount equal to Retailer Match monies. RJR Match monies will be accrued on a monthly basis and are available for use on the same basis as the Option 1 funds.

ADDITIONAL REQUIREMENTS

- Display size, quantity, promotional timeframe, and promotional type will be approved by an RJR Representative.
- Promotional advertising associated with RJR Full Price Brands will be affixed to, or above each display, as approved by an RJR Representative.
- Retailer will not permit advertising of any kind, including that relating to retailers own products, to be affixed to RJR displays (temporary and/or permanent) without prior consent of RJR.
- Retailer agrees to maintain RJR displays and signage (temporary and/or permanent) in an unobstructed manner, in the location agreed upon by an RJR Representative. Changes in location of displays, or effectiveness of display location, will terminate this agreement.
- Retailer will provide RJR equal opportunity with its competitors to place temporary displays and temporary price/promotion signs as requested by an RJR Representative.
- Retailer further agrees that restricting RJR's ability to display, promote or distribute RJR brands, or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of this contract.
- Retailer will permit RJR to make reasonable audits of performance and to inspect and rotate RJR products.
- RJR reserves the right to modify or terminate this contract after notice to retailer. In event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.
- Should retailer be disqualified under RJR's Retail Partners Merchandising programs, participation in the Co-Marketing Promotion Accrual program will be terminated.

Request for Taxpayer Identification Number and Certification

R. J. Reynolds Tobacco Company must backup withhold tax at the rate of 31% from payee if the payee fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to such payee for any calendar year. With an individual proprietorship, this information is the person's individual name and either his/her social security number (S.S. No.) or the employer identification number (EIN) for the proprietorship. In addition to the payee's individual name, the payee may also provide the business name for the sole proprietorship, provided the individual name is listed before the business name. (Sole proprietors may not furnish only the business name.) With respect to corporations, partnerships, estates, trusts, and similar entities, the necessary information is the entity's name and employer identification number (EIN) as it appears on IRS Form 575 (Assignment of Employer Identification Number).

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